

# *Fiscal* TOPICS

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## Performance of Duty Appropriations

The Executive Council is comprised of the Governor, the Secretary of State, the Auditor of State, the Treasurer of State, and the Secretary of Agriculture. One of the Executive Council's primary responsibilities is to approve certain expenditures from the Performance of Duty appropriation to State departments.

The purpose of the Performance of Duty appropriation is to provide funding for emergency repairs to State property if sufficient funds are not available in a State agency budget. Expenditures are paid through a General Fund standing unlimited appropriation, although, since FY 2010, other fund sources have been used in place of the General Fund. A vast majority of the expenditures from the Performance of Duty appropriation are due to weather-related damage to State property.

The chart on the following page shows the annual budget and expenditures for FY 2002 through FY 2012. The expenditures listed for FY 2011 are not yet final and no expenditures have been recorded for FY 2012. Due to the statutory functions of the Council and the nature of the Performance of Duty appropriation, year-end expenditures are difficult to estimate for budgeting purposes.

### **FY 2002 through FY 2009**

The average amount budgeted for Performance of Duty expenditures between FY 2002 and FY 2006 was \$1.9 million. Actual year-end expenditures for the same period averaged \$1.4 million.

Since FY 2007, the State has experienced numerous natural disasters that have caused considerable damage to State property. During this time, 12 natural disaster declarations have been declared by the Governor. The total State cost of the damage from these disasters is estimated at \$182.7 million. These funds are being used to match a total of \$1,249.9 million in federal funds. The Executive Council has thus far approved \$118.3 million from the Performance of Duty appropriation and the remaining \$64.4 million is pending approval.

From FY 2007 to FY 2009, the actual expenditures paid through the appropriation significantly exceeded the amount budgeted. In FY 2007, the General Assembly budgeted \$1.5 million for Performance of Duty; however, actual expenditures exceeded \$23.3 million. For FY 2008 and FY 2009, \$2.1 million was budgeted for each fiscal year while year-end expenditures totaled \$10.2 million and \$21.6 million, respectively. When year-end expenditures exceed the amount budgeted, the excess is paid from the General Fund surplus. This ultimately reduces the amount of General Fund money that flows to the State's reserve funds.

### **FY 2010 and FY 2011**

In FY 2010, the General Assembly appropriated \$25.6 million from the Cash Reserve Fund for Performance of Duty costs and only \$2.8 million of the funds were expended leaving an unexpended balance of \$22.8 million. For FY 2011, the General Assembly allowed \$20.0 million of the unexpended FY 2010 funds to carry forward and an additional \$10.6 million was appropriated from the Cash Reserve Fund, for a total budget of \$30.6 million to meet the projected FY 2011 expenditures. A total of \$27.8 million was expended from the appropriation in FY 2011, resulting in an unexpended balance of \$2.8 million that will revert to the Cash Reserve Fund.

### **FY 2012 and FY 2013**

Legislation enacted during the 2011 Legislative Session changed the standing unlimited appropriation funding for Performance of Duty from the General Fund to the Economic Emergency Fund. The change also stipulates that if funding in the Economic Emergency Fund is insufficient, the General Fund will be used to cover necessary costs approved by the Executive Council. The Executive Council Performance of Duty budget from the Economic Emergency Fund for FY 2012 is \$38.7 million and \$39.8 million for FY 2013.

#### **More Information**

Executive Council website: <https://governor.iowa.gov/news/executive-council-of-iowa/>

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